

**2008****VERMONT****Form IN-114*****Individual Income Estimated Tax Payment Vouchers***

This booklet contains payment vouchers, instructions, worksheet and 2008 preliminary VT tax rates for calculating your VT estimated income tax payments for the 2008 tax year, and a record of payment.



**To pay by credit card**, go to <http://tax.vermont.gov> to use our on-line payment system. No voucher to make out, no mailing, and **VTPay** keeps a payment record for you.

**To mail your payment**, print your name, address, and social security number on the voucher. If the payment is for a jointly filed return, be sure that both names and social security numbers are included on the voucher. The mailing address is printed on the back of each voucher and fits in a standard window envelope. Remember to use the record of payment section of the booklet to show when each estimated payment was made.

**QUESTIONS?** Contact your tax preparer for advice on filing estimated payments. Contact the Vermont Department of Taxes for other assistance.

E-mail: [indincome@state.vt.us](mailto:indincome@state.vt.us)

Telephone: (802) 828-2865 (local and out-of-state) OR (866) 828-2865 (toll-free in VT)

Fax: (802) 828-2720

**PLEASE READ INSTRUCTIONS BEFORE COMPLETING VOUCHER****INSTRUCTIONS**

**Who Must File Estimated Income Tax Payments?** Every individual who expects to incur an income tax liability greater than the combined withholding and other tax credits, or to pay on income not subject to withholding such as self-employment earnings. Farmers and fishermen as defined by the Internal Revenue Service are not required to make estimated income tax payments.

**How Should I Estimate My Tax Liability?** Use the worksheet included with the vouchers to estimate your 2008 tax liability. If you expect your tax to be more than your withholding, you must pay the difference to the Department of Taxes in quarterly installments. You may apply your 2007 income tax refund toward your 2008 estimated tax liability. Remember to enter that amount on your Record of Payments to determine the next payment amount and due date.

*Example:* On April 1, 2008, you estimate 2008 VT tax liability at \$600. You should make an estimated payment of \$150 on April 15, 2008. On June 1, 2008 you change jobs and anticipate the 2008 tax liability will now be \$800. On June 15, you should make an estimated payment of \$250 to bring total payments up to 50% of the revised tax. On September 15 and January 15, you should make estimated payments of \$200 each.

**When Do I File and Make Payments?** Estimated tax payments are due on April 15, June 15, September 15 of 2008 and January 15, 2009. When the

15th falls on a weekend or holiday, the payment is due on the next business day.

Fiscal year taxpayers - contact the Department for instructions.

**Entries** - Round payments to the nearest whole dollar. Use blue or black ink to write entries.

**What If My Estimated Tax Payments Are Less Than Tax Minus Withholding and Credits?** Underpaid estimated tax results in penalty and interest charges. To avoid these charges, estimated payments must equal (1) 100% of last year's tax liability; or (2) 90% of this year's tax liability; or (3) the tax due at filing, less withholding and credits, is less than \$500.

**What If My Estimated Tax Payments Are Late?** You will be charged penalty and interest from the due date of the payment to the date paid.

**What are Interest and Penalty Charges?** Interest is 0.8% per month and penalty is 1% per month, up to a maximum of 25% of the payment amount. The charges accrue on the difference between the amount that should have been paid and the amount paid.

**Can I File Annualized Estimates For Vermont?** If you file Federal Form 2210 to annualize, you may also annualize for Vermont. Please send a complete copy of Form 2210 filed with the IRS when you file your Vermont income tax return.

VT taxable income, in most cases, is your Federal taxable income plus income from non-VT state and local obligations, less interest income from U. S. obligations, and 40% of adjusted net long-term capital gain.

If you have any of the following additions or subtractions to Federal tax, you will need to adjust your Vermont tax.

**Additions To VT Tax**

Qualified Retirement Plans (including IRA, HSA & MSA)  
Recapture of Federal Investment Tax Credit  
Tax from Federal Form 4972  
VT tax credit recapture

**Subtractions From VT Tax**

Credit for Child and Dependent Care (**NOTE:** This is **not** the Federal child tax credit)  
Credit for Elderly or Disabled  
Investment Tax Credit  
VT Farm Income Averaging Credit

See 2007 VT income tax booklet or go to <http://tax.vermont.gov> for more information on VT taxable income and additions and subtractions from tax.


  
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Form IN-114  
Rev. 10/07

DATE PAID	TOTAL ESTIMATE ORIGINAL OR AMENDED	AMOUNT OF INSTALLMENT DUE	LESS 2007 INCOME TAX REFUND APPLIED	BALANCE DUE	AMOUNT PAID
_____	\$ _____	APRIL 15 (1/4) \$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	JUNE 15 (1/4) \$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	SEPT 15 (1/4) \$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	JAN 15 (FULL) \$ _____	\$ _____	\$ _____	\$ _____

## 2008 Preliminary VT Tax Rates

Schedule X  
Use if your filing status is:  
**Single**

If your Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the Amount Over
0	32,550	0.00	3.60%	0
32,550	78,850	1,172.00	7.20%	32,550
78,850	164,550	4,505.00	8.50%	78,850
164,550	357,700	11,790.00	9.00%	164,550
357,700	-	29,173.00	9.50%	357,700

Schedule Y-1  
Use if your filing status is:  
**Married Filing Jointly; Qualifying Widow(er); or  
Civil Union Filing Jointly**

If your Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the Amount Over
0	54,400	0.00	3.60%	0
54,400	131,450	1,958.00	7.20%	54,400
131,450	200,300	7,506.00	8.50%	131,450
200,300	357,700	13,358.00	9.00%	200,300
357,700	-	27,524.00	9.50%	357,700

Schedule Y-2  
Use if your filing status is:  
**Married Filing Separately; or  
Civil Union Filing Separately**

If your Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the Amount Over
0	27,200	0.00	3.60%	0
27,200	65,725	979.00	7.20%	27,200
65,725	100,150	3,753.00	8.50%	65,725
100,150	178,850	6,679.00	9.00%	100,150
178,850	-	13,762.00	9.50%	178,850

Schedule Z  
Use if your filing status is:  
**Head of Household**

If your Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the Amount Over
0	43,650	0.00	3.60%	0
43,650	112,650	1,571.00	7.20%	43,650
112,650	182,400	6,539.00	8.50%	112,650
182,400	357,700	12,468.00	9.00%	182,400
357,700	-	28,245.00	9.50%	357,700